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E.O. 12958: N/A

TAGS: ETRD EAID PREL PGOV ECON CY TU SUBJECT: GOT DENIES INVOLVEMENT IN "TRNC" DECISION TO BLOCK POTATO SALE

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- 11. (SBU) We discussed reftel points on June 28 with Engin Solakoglu, MFA Cyprus Department chief of section. Solakoglu told us the GOT played no role in the decision by Turkish Cypriot authorities to cancel a deal to export Turkish Cypriot potatoes to Europe through the Greek Cypriot port of Limassol. He said the GOT does not get involved in such minor Cypriot issues, particularly given that the current "TRNC" government is more sensitive than its predecessor to being perceived as taking instruction from Ankara. He flatly denied that the GOT has offered to compensate the "TRNC" for the loss of the sale. Levent Bilman, MFA DDG for Northeast Mediterranean Affairs, also told us separately that the GOT played no role in the matter; he said he had not been aware of the issue until we told him.
- 12. (SBU) Solakoglu also said he had not heard about the issue until we raised it prior to our appointment, at which time he searched for information on the Internet. He showed us a copy of an article by Hasan Ercakica, "TRNC" presidential spokesperson, from the June 26 edition of Yeniduzen, in which Ercakica argues that the planned exportation was a political ploy designed to give the impression that the "TRNC" is not economically isolated and thereby pressure Turkey to open its ports to Greek Cypriot shipping. Solakoglu said the article is a good indication that the Turkish Cypriots blocked the deal on their own, and "if you want to know about it you should talk to them." Solakoglu offered that he agrees with the Turkish Cypriot decision; the export deal, he said, was a "political trap" that would have undermined the efforts of Turkish Cypriots to end their economic isolation without bringing any substantial benefits.

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